## GOVERNMENT OF INDIA MINISTRY OF COMMERCE & INDUSTRY (DEPARTMENT OF COMMERCE)

# LOK SABHA UNSTARRED QUESTION NO. 290 TO BE ANSWERED ON 18<sup>th</sup> DECEMBER, 2017

#### **EXPORT GROWTH**

### 290. SHRI M.B. RAJESH:

Will the Minister of **COMMERCE & INDUSTRY** (विणिज्य एवं उद्योग मंत्री ) be pleased to state:

- (a) whether export growth of major items like Gems and Jewellery, Textiles, Dairy, Meat and Poultry and Leather have slowed down in the current financial year and if so, the details thereof and the reasons therefor;
- (b) the details of export performance of these items during the last five years along with the reasons for slow growth;
- (c) whether the restriction of cattle trade for slaughter has been a reason for slow growth of meat products and if so, the details thereof; and
- (d) the measures taken or proposed to be taken by the Government to enhance export growth of these major items?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

(a) & (b): The details of export of items like Gems and Jewellery, Textiles, Leather, Meat, Dairy and Poultry products during the last five years and the current year are given below:

(Value in US\$ billion)

| Items                             | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2016-17<br>(Apr-Oct) | 2017-18<br>(Apr-Oct)* | %<br>Change |
|-----------------------------------|---------|---------|---------|---------|---------|----------------------|-----------------------|-------------|
| Gems & Jewellery                  | 42.99   | 41.39   | 41.27   | 39.28   | 43.41   | 26.6                 | 24.66                 | -7.32       |
| Textile & Allied Products         | 32.87   | 36.94   | 37.09   | 35.95   | 35.77   | 19.63                | 20.41                 | 4.01        |
| Leather & Leather<br>Manufactures | 4.88    | 5.72    | 6.2     | 5.55    | 5.31    | 3.15                 | 3.18                  | 0.79        |
| Meat Products                     | 3.28    | 4.47    | 4.92    | 4.2     | 4.03    | 2.34                 | 2.38                  | 1.45        |
| Dairy Products                    | 0.43    | 0.73    | 0.36    | 0.26    | 0.25    | 0.13                 | 0.16                  | 15.14       |
| Poultry Products                  | 0.09    | 0.09    | 0.11    | 0.12    | 0.08    | 0.04                 | 0.04                  | -0.89       |

Source: DGCI&S, Kolkata (\* Provisional)

The above table reveals that the items gems & jewellery and poultry products registered a negative growth during the current year as compared to the corresponding period of the previous year. Exports depend upon many global and domestic factors including demand in international markets, currency fluctuations, cost of credit, logistics costs, etc.

- **(c):** There has been a positive growth of 1.45% in exports of meat products during the current year.
- (d): The Government announced a major relief package for exporters in October 2017 by extending the Advance Authorization (AA) / Export Promotion Capital Goods (EPCG) / 100% EOU schemes to sourcing inputs etc. from abroad as well as domestic suppliers. Holders of AA / EPCG and EOUs would not have to pay Integrated Goods and Services Tax (IGST), Cess etc. on imports. Also, domestic supplies to holders of AA / EPCG and EOUs would be treated as deemed exports. During the mid-term review of Foreign Trade Policy in December, 2017, export incentives under Merchandise Exports from India (MEIS) have been increased by 2% across the board for labour intensive MSME sectors leading to additional annual incentive of Rs 4,567 cr. This was in addition to already announced increase in MEIS incentives from 2% to 4% for Ready-made Garments and Made Ups in the labour intensive Textiles Sector with an additional annual incentive of Rs 2,743 cr. For Leather and Footwear Articles, an additional benefit of Rs. 749 crore is part of the relief package. Further, incentives under Services Exports from India Scheme (SEIS) have also been increased by 2% leading to additional annual incentive of Rs 1,140 cr.

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